

Marvel Entertainment Inc. vs DC Entertainment Inc.

How much muscle is in marketing super heroes?

Jacqueline Alvarez, Marketing
 Dr. Tony Vercillo
 Kellogg Honors College Capstone 2012

Abstract

Superman, Batman, Wonder Woman, Spider-man and Wolverine. Some of these name have been around for over 70 years, yet are still wildly recognizable and maintain a status at the forefront of the entertainment culture. Two of the comic industry's frontrunners, Marvel Entertainment Inc. and DC Entertainment Inc., began with the creation of super powered men and women in printed comic books and progressed into motion picture production and distribution, publishing, merchandising and leasing of intangible assets, respectively. The intention of this project was to perform a SWOTT analysis of both Marvel and DC to analyze how each company has remained relevant in entertainment culture for over seventy years and acclimated to the changing times by identifying and satisfying customer needs and anticipating them in the future. This investigation of each company's respective strengths, weaknesses, opportunities and threats were researched for the goals of strategic planning, improving company success and development and identifying competitive advantages that have kept and will keep Marvel and DC highly competitive. I have also advised recommendations on possible ways to reach potential new customers, particularly women, and to fortify a positive relationship with current "fanboys and fangirls". Legions of dedicated followers remain loyal to these extraordinary characters and their parent companies, ranging from the older audience with association based in nostalgia to the child who is discovering the Man of Steel saving the day for the first time.



Strengths	Weaknesses
<ul style="list-style-type: none"> Brand Name Over 5,000 characters Hasbro toy line Box Office Money Partnerships Diverse heroes Greater online presence 	<ul style="list-style-type: none"> Lack of female leads: In November 2011, it was announced that Marvel was canceling "X-23" comics series. X-23 was written by arguably Marvel's most recognized female writer. Marvel will no longer be featuring a comic where a female character in a central starring role. The only women in Marvel's titles are ones on teams, now. Expensive comic book: The average price for a Marvel title comic book is about \$3.99 and the actual story content of the comic is shrinking. These comic books are considerably more expensive in other countries. To deal with these prices, people have either continued buying, switched to digital comic, decided to wait until the issues they want are available at discounted prices or have simply stopped buying all together.
Opportunities	Threats
<ul style="list-style-type: none"> Acquisition by Disney: In 2009, The Walt Disney Company acquired Marvel Entertainment, Inc. for \$4 billion dollars. E-comics and subscriptions: Marvel announced that by April 2012, almost all of their print comics will be available the same day digitally the same day they are released in book stores and comic shops. Marvel also launching a digital coupon tactic where a customer can purchase a \$0.99 digital comic through the Marvel App and will receive a \$5 coupon credit usable at the nearest comic shop. Heroes unknown to mass audience 	<ul style="list-style-type: none"> Other competing comic book based companies: Marvel faces many competitors in the publishing arena such as DC Comics, Dark Horse comics, Image comics and Dynamite Entertainment. Toy manufacturing competitors include Mattel, Jakks Pacific and Lego. Digital reading threatens purchase of trade back comics

Trends

- Popularity of Comic Con and other conventions:** Comic Con International attracts more than one hundred twenty-five thousand people every July to see exclusive movie trailers, preview upcoming action figures and talk to panels of actors and actresses and emerged as a launching pad for marketing campaigns. Other such conventions include WonderCon, DragonCon, Disney convention D-23, and Con.
- Decrease in the purchase and popularity of comic books:** In the last decade, comic book sales have been decreasing. In an Rolling Stone interview with respected comic writer Grant Morrison on "the death of comics", when asked if comics are going to be abandoned, Morrison confirms that there will mostly likely be a additional focus more on movies where it can be more powerful and more effective.
- Action figures getting smaller:** The trend for many of the action figures now is switching from an average 6" action figure to a 3 3/4 inch scale figure. Production costs are up more than 15% in the Guangdong province of China, which is home to an about 4,000 toy manufacturing firms. Inflation, rising crude and cotton prices, combined with the growing cost of competing with electronic goods manufacturers for labor, is increasing the price of manufacturing.
- E-comic book subscription:** In an attempt to adapt to the changing times, comic book companies have tuned to the digital market as a way to continue to promote their respective brand and products.

Recommendations

Broaden appeal to female market: DC Comics President and Publisher Paul Levitz had said: **"I'm not sure that young women are as interested in reading about superheroes.** The fundamental dynamic of the superhero story has historically been more appealing to boys than to girls." I believe this is an incredible fallacy in the thought process. Although the superhero genre has generally been more appealing to men than women, there are many female "fangirls". Because of this train of thought that woman are not interesting in heroes, **there is a lack of service and attention paid to this market.** It would be **beneficial to have female comic book leads** since there are plenty of strong female heroines who are more than capable of holding a title. In addition, **the portrayal of the female is also important.** As seen with the overt sexuality of some of the female characters, it is important to portray the women as strong, powerful and able to save the world without the sole use of her body and feminine wiles.

According to an article in Wired.com, of the twelve million registered users of World of Warcraft, forty percent are female. That's 4.8 million geek girls out there who like fantasy fun. It is not guaranteed that the whole of this audience will begin reading comics, watch the hero movies or purchase the merchandise, but even ten percent of that audience, is more than *four hundred thousand* potential new readers.

Fan created heroes: I believe it would be beneficial to allow the fans to have **input on new costume characters.** This would allow the companies to understand what target audience would like to see, their preferences in superhero characteristics and **will allow engagement and involvement.** This can be instigated on each company's respective website and social networks to drive traffic to those sites. Participation can be rewarded with free sample issues or exclusive content.

Another way fans can be involved is for designing movie posters. When the promotion team working on *X Men: First Class* premiered its movie poster on Facebook to garner excitement, it was met with atrocious reviews. The poster was criticized by the fans and other various websites for its poor design and cheap photo shop techniques. Soon, the initial posters were replaced with fan submitted posters that far surpassed the originals, until acceptable official versions of the X-Men movie were created and posted. There are many websites featuring **galleries of impressive fan made movie posters.** Not only will the artist be recognized for their work, but this **will create a better relationship between fans and the company because the fans will be more involved and will feel like they are a part of an industry they love so much.**

Set a lower price on comics: A huge complaint is the cost of comic books. At about \$3-4 dollars, and that is not including the special issues which run at a higher price, it would cost a large sum of money to follow more than one monthly magazine. I suggest for a **trial period of 3 months where comics are \$2-\$3 dollars.** At \$2, the cost of one issue is almost in half and it is more likely that the consumer will purchase more issues to compensate for the lower cost, possibly taking chances on comics he/she would not have at the previous price. The trial period can be heavily marketed on each companies social media websites and can ask for customer feedback, opinions and thoughts. The goal of this plan is to persuade new readers to try and read the comics and for seasoned readers to picked up and try new issues with the hope that they will become loyal followers to new titles.



Strengths	Weaknesses
<ul style="list-style-type: none"> Brand Name Batman "The Dark Knight" most profitable superhero film Partnerships "Drawing the line at \$2.99" policy DC Direct Action comics #1 most valuable comic book 	<ul style="list-style-type: none"> Weak comic book sales Weak site traffic Fewer movies than Marvel Oversexualization of female characters
Opportunities	Threats
<ul style="list-style-type: none"> Use DC reboot to revamp image to attract new readers Wonder Woman movie Utilize social networking more effectively 	<ul style="list-style-type: none"> Other competing comic book based companies: Since DC is in the same industry as Marvel, both companies face similar threats. Some of the competitors in the publishing arena against DC are Marvel, Dark Horse comics, Image comics and manga genre literature. Toy manufacturing competitors include Hasbro, Jakks Pacific and Leapfrog Enterprises. Digital reading threatens purchase of trade back comics